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PORT ORGANIZATION AND MANAGEMENT

Report by the UNCTAD secretariat

CONTENTS

Chapter		Paragraphs
	Introduction	i - iv
I.	Port organization and management	1 - 34
II.	UNCTAD publications and technical cooperation programme	35 - 58

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INTRODUCTION

(i) At the first session of the Standing Committee on Developing Services Sectors (Shipping), from 2 to 6 November 1992, the Committee adopted a work programme in the field of ports (annex I to document TD/B/39(2)/5 - TD/B/CN.4/13). At that session, the possibility of convening a meeting of an intergovernmental group of experts on ports was brought up. Owing to lack of time, however, it was not possible to complete the necessary consultations. Consequently, the Standing Committee decided to refer the question to the consultative mechanism under paragraph 83 of the Cartagena Commitment.

(ii) Following these consultations, the Trade and Development Board, at its thirty-ninth session in March 1993, approved the provisional terms of reference of the intergovernmental group of experts on ports and decided to convene the group. It was decided that the meeting would be held from 25 to 29 October 1993 and would be preceded by a two-day high-level seminar on the subjects of the electronic data interchange (EDI) in ports and of port marketing.

(iii) The full agenda of the session was drawn up as follows:

1. Election of officers

2. Adoption of the agenda and organization of work

3. Port organization and management

4. Publications and technical cooperation

5. Other business

6. Adoption of the report of the Intergovernmental Group of Experts to the Standing Committee on Developing Services Sectors (Shipping).

Emphasis was placed on two major themes: port organization and management and the UNCTAD publications and port technical cooperation programme.

(iv) This report is designed to serve as a basis for the Group's discussion on these matters. Various other studies, intended as support documents, are available. Their contents have, however, been summarized in the present document to facilitate the Group's work.

Chapter I

PORT ORGANIZATION AND MANAGEMENT

1. "The international community faces an unprecedented conjunction of challenges and opportunities, responses to which will shape the outcome of efforts to build a healthy, secure and equitable world economy." This first sentence of paragraph 1 of the Cartagena Commitment, adopted by UNCTAD VIII in 1992, is fully applicable to the port sector. In most countries, commercial ports are, or can become, essential strategic platforms for the development of international trade, provided that they can meet the challenges and grasp the opportunities deriving from the structural and technological changes occurring in the international trade and transport sectors. In this context, the great importance of port organization and management will be evident, since they condition the existence of effective and dynamic ports which promote the development of their countries. These subjects cannot be correctly studied, however, without first examining the evolution - and the requirements - of international trade and transport.

2. Consequently, this chapter is made up of four sections in which the following subjects are considered, in turn: (i) the recent evolution of international trade and transport and its impact on ports, (ii) national and local port organization, (iii) management of the organizations thus established and, lastly, (iv) cooperation among the ports of a country or a region. These subjects are closely interlinked. The sole purpose of considering them separately is to facilitate their presentation and analysis in this paper.

3. The following studies are available as reference documents on the topics concerned. They were prepared at the request of the 1990 Ad hoc Intergovernmental Group of Port Experts in the light of the mandate given it by the Committee on Shipping (resolution 65 XIV, para VI, of June 1990).

The principles of modern port management and organization (TD/B/C.4/AC.7/13)

Port marketing and the challenge of the third generation ports (TD/B/C.4/AC.7/14)

Legal aspects of port management (UNCTAD/SHIP/639)

Strategic planning for port authorities (UNCTAD/SHIP/646)

The management and development of human resources in ports (UNCTAD/SHIP/644).

Another study has been prepared under the work programme adopted by the Standing Committee on Developing Services Sectors:

Sustainable development for ports (UNCTAD/SDD/PORT/1).

This is the first study of the "post-Cartagena" period.

A. Recent evolution in international trade and transport and its impact on ports

4. A full presentation of this topic is to be found in chapters I and II of the study on port marketing mentioned above. Over the past 30 years, international trade has made more rapid progress than world production. Production is now more globalized than before. New economic powers and many industrial and commercial centres have emerged in all regions of the world. The result has been a new world trade pattern characterized by a more rapid growth in value than in volume, largely owing to the dramatic increase in the trade in manufactured goods, often carried in containers. The development of transport and communication has made the world smaller. Consequently, the multinational system of production is expanding rapidly. Decisions concerning labour, raw materials, plant location, transport and distribution networks, markets and delivery dates are taken on a worldwide basis rather than a local one. Consumption, too, is moving in the direction of globalization, thereby increasing competition between substitutes and leading to an ever-increasing emphasis on the control and reduction of production and transportation costs. The result is new transport and distribution requirements: greater speed, reliability and security, reduced costs, integration of the foreign trade and transport chain, intermodalism, development of transportation networks assembled around transshipment hubs (ports and airports), specialization and economies of scale in the operation of ocean-going vessels and customer-oriented diversity and flexibility of international transport.

5. This evolution has confronted the ports with new responsibilities. In the new organizational pattern of trade which is characterized by strengthened integration, ports constitute one of the rare interruptions or rather interfaces in the transport chain linking production to consumption. They have all the advantages needed to become strategic platforms for the development of trade. It is rare to find together, in a single place, so many representatives of the vital forces of international trade: shippers, freight forwarders, shipowners, insurance companies, banks, road and rail transport operators, Customs offices and the like. The port authorities which first became aware of these developments prepared for the corresponding changes by building the necessary infrastructures on land and water alike where new services are offered such as those connected with the creation of distribution centres: warehousing, dispersal of consignments, packaging, labelling and quality control. These changes cannot be made in the absence of an efficient information system, the importance of which is such that it is described as a port "infostructure" in the same breath as the physical infrastructures.

6. Consequently behaviour has had to change to meet these new conditions. The port administrations have had to move closer to the port users, who have now become "customers" and "partners". The whole port community is becoming united, with a structure involving strong participation of the main commercial agents, encouraged and supported by the port authority, whose role is also changing. From a former position of domination and sometimes remoteness from commercial activities, it is being transformed into a coordinator and animator of these new activities while retaining its role as representative of the public sector. This role is very difficult to play, since there is a need to take initiatives with foresight and determination while sometimes, on the other hand, knowing when to withdraw and make room for the commercial agents and the private sector. In the secretariat training programme, the ports that have adopted this approach have been called, for training purposes, third-generation ports in order to distinguish them from traditional ports, simple interfaces between two transport

modes (first-generation ports), and from the more ambitious ones that had developed a number of new functions, such as industrialization (second-generation ports).

7. The Group might wish to take note of this evolution of international trade and transport in order to make Governments aware of the changes and requirements and also of the challenges and opportunities that this entails for ports for there is a definite risk, particularly in countries where the ports are not geographically central, that they may not be given the attention and the resources needed to enable them to play a part commensurate with these new stakes.

B. Port organization

8. This topic is dealt with in the first chapter of the study "The principles of modern port management and organization"(TD/B/C.4/AC.7/13), the essence of which will be summarized in order to facilitate the Group's work. The organization of a national port system has become topical in many countries, in view of existing trade requirements. It is accordingly necessary to define the objectives assigned to the ports by the public instances which, as a general rule, are their owners. Here two schools of thought have adopted radically different points of view. For members of the first school, supporters of a "microeconomic" approach, the main objective of a port is to assure a minimum cost of throughput for the goods and this would be most easily secured if the State did not intervene at all in port matters. However, not many countries have taken this approach to its logical conclusion to the extent of completely privatizing their ports. In most cases, the national, regional and local public instances expect their ports to make a contribution - sometimes a major one - to the development of the country or region. This "macroeconomic" objective must thus override the objective of each individual port (where there are several) and *a fortiori* of each operator. In practical terms, this objective means seeking the total minimum cost of the throughput of the goods handled. Some commentators might add: by contributing the maximum or optimum value added. Other objectives are usually adduced in addition to the basic one which also derive from the macroeconomic concept: contribute to national development, encourage the development of such and such a region or such and such a traffic flow, generate foreign currency receipts, promote employment and so forth.

9. Port operators, users, port staff and the port community, all have their own objectives which, particularly in the short term, may differ from those of the public authorities, the owners of the port. There is, however, a convergence of these objectives in the medium and long terms, since all these partners are usually interested in obtaining a minimum cost of the throughput of the goods and investing them with a maximum added value.

10. The following stage in the organization of a port or port system consists in enumerating and assessing the port's main operational and administrative functions. A distinction may be made between the so-called external functions, carried out at the dockside for the benefit of the vessel and at the sea/land interface and the land side for the benefit of the other modes of goods transported, with the aim of providing a range of various and progressively more extensive services. The so-called internal functions are equally important though less evident: administrative, economic, physical, social, commercial and developmental services are all needed for the operation of the port and the satisfaction of its customers.

11. Once the objectives and functions of a port system have been established, it is necessary to structure and organize the port so that its functions may be performed in optimum conditions, thus providing the best guarantee that the objectives of the port system will be achieved. This is always a difficult task, since there are always fragile balances, particularly social ones, in the port. No precise rule or standard model can be recommended, since there are too many differences from country to country in the parameters to be taken into account when trying to organize or reorganize a port. However, since the Group has been given the mandate to study matters of port organization "including issues relating to privatization, commercialization, deregulation and existing legislation", it may, perhaps, wish to express its opinion concerning a few principles applicable in those areas. To facilitate the Group's task, it has been arranged that certain ports will present the outcome of their experience. These ports have been selected by the secretariat precisely because their experience seems instructive. Other contributions will undoubtedly enrich the discussions.

12. It would appear that the following principles might merit the attention of the Group in this area, on the understanding that their application would have to be adopted to local conditions, namely:

- Encouraging the sectorization of the port into production, support and management units;

- Encouraging the decentralization of decision-making processes and the creation of unit autonomy,

- Adopting a functional port structure by attributing to public entities functions in the public domain (such as police, security, Customs and public health services) and functions of a commercial nature to the appropriate operators,

- Maintaining in being a port authority or port administration responsible for taking decisions in the public domain, such as space reservation and allocation, coordination of activities and the application of basic laws and regulations. Its role may be of greater or lesser scope.

On all assumptions, however, it would be imperative that the port authority should have considerable autonomy, particularly in operational and financial matters.

- Strengthening the representation of local partners in the decision-making structures (Board of Directors) so as to adapt the port to its "customers'" needs, and

- Promoting the bringing together of all the port organizations, both public and private, in a structure representative of the port community.

Marketing, or rather commercial management, is essential for all parties, if present trade requirements are to be met. Such an approach is needed at all times and at all levels so that the entire port community can display dynamism and vitality in the service of trade and commerce.

13. In many countries, the privatization of the ports is one of the topical issues. In many cases, it is a question of privatization of management rather than of privatization of capital. Thus, the management of certain container

terminals has been entrusted to the private sector, although the corresponding infrastructures remain the property of the public sector. Application of commercial management principles would seem to favour privatization à *la carte* in countries where there is a sufficiently organized and responsible private sector which meets the specific requirements, particularly financial and investment requirements, of ports. Apart from a central core, that can be very small, which is responsible for public activities and is entrusted to what is conventionally known as the port authority, the other functions should be examined one by one and allocated to the public or the private sector, whichever is the best suited to exercising them. The further one moves away from the centre to examine functions that are more and more commercial in nature, the more extensive becomes the ascendancy of the private sector which has proved its dynamism in a number of countries, more particularly with regard to the operation of port installations. The process of privatizing a port or a portion of the port functions is not without some danger, which must be determined if it is to be controlled. Privatization can create monopoly situations or a pursuit of personal interests incompatible with the objectives of the port. It may be necessary to adopt regulatory measures to avert these dangers and some commentators fear that excessive regulations might vitiate the transfer to the private sector: among such regulations they would refer to the limits imposed on capital transfer (reserved for national interests or preference given to port staff etc.).

14. In some geographical areas, North America for example, port "deregulation" has produced good results. It is true that the accumulation of all kinds of regulations can lead to a paralysis of port operations. It is usually accompanied by a proliferation of administrative documents and checks which slow down operations. The basic principle in this area should be to promote the fluidity of the traffic and to prefer *a posteriori* checks to *a priori* ones.

15. During preparation of the study entitled Legal aspects of port management (UNCTAD/SHIP/639), the secretariat convened an informal meeting of some 20 legal experts on port matters who considered the secretariat's first work on the subject and formulated a number of principles and recommendations which are to be found, in full, in annex I to the study in question. The following extracts from this document might be helpful to the Group in preparing its own recommendations on port legislation:

> "The requirements of international trade mean that commercial ports must widen the range, and improve the quality, of the services offered to users and adopt a system of commercial management. This cannot be achieved satisfactorily without an appropriate legal framework, at both the national and local levels. The Group considers that each country should develop its own system in the light of its national legislation, and its own requirements and ideas on the duties of the port authority.
>
> In the specific area of port operation and policing, the Group recommends that each port should adopt its own regulations so as to ensure the smooth operation and safety of its waterways and storage yards, and should adopt and implement the necessary coercive measures in the event of an offence. It would be desirable to train staff and to take preventive measures as far as possible, so as to avert the need for severe action.
>
> It would be desirable for the Governments involved in drafting international legal instruments which have implications for port activities to make the necessary arrangements to ensure that:

- Their representatives are assisted by legal experts on port matters, whenever possible;

- They make a point of safeguarding the interests of the authorities and various port operators and not allowing their liability to be involved beyond a reasonable limit;

- Port operations are not delayed or halted as a result of legal conflicts involving ships, goods or employees.

The Group appreciated the concerns expressed by representatives of the developing countries. It considers that the legal services of a number of ports in developing countries should be strengthened. It invites the UNCTAD secretariat and other competent national and international organizations to assist in training the necessary legal experts. National, regional and interregional seminars on such topics would be desirable.

The definition and role of ports are not always sufficiently clear at either the national or international level. In this connection, and in order to promote port activities relating to trade development, the Group recommends that consideration should be given to the amendment and possible extension of the Geneva Convention of 9 December 1923 on freedom of access to, and navigation in, maritime ports.

Port charges are an essential component of any operating, income and development policy, which ports must have under control.

Ports should have the legal means to ensure that their operations are not disrupted or halted by incidents such as the seizure of ships or the presence of wrecks, abandoned ships or pollutants.

As to the port area, it should be precisely defined, and legal and other measures should be taken to permit and protect its future development, including the formulation of sustainable port development plans.

The regulations relating to the port's liability *vis-à-vis* third parties or users should be specified precisely in order to take account of the specific nature of port activities.

In order to facilitate the management of port risks, the Group expresses the hope that limitation of liability can be instituted for the benefit of ports."

C. Port management

16. When considering the topic of port management, the Group will have to bear in mind an important basic component of its terms of reference, namely, to "examine factors which can contribute to efficient management and sustainable development of ports and related port services".

In the last paragraphs of the preceding section, the topic of port management has already been touched upon, thus illustrating the complementarity between the organization and the management of a trading port. In the Group's terms of reference concerning management, the subjects of human resources development, strategic planning, marketing, sustainable development and

investment requirements are mentioned. These will thus be studied separately, after we have recalled the major principles which, in our view, should be applied in port management, a more detailed presentation of which will be found in chapter II of the study entitled "The principles of modern port management and organization" (TD/B/C.4/AC.7/13).

17. Good port management implies the adoption of management targets complementary to and more practical than the port objectives mentioned previously. Targets and sub-targets are distinguished. The first are medium- or long-term: e.g. establishing an industrial zone within 10 years. The sub-targets must be precise and their number should be limited and their definition clear (e.g. reducing ship waiting times by five per cent in the current year). There is no modern port management without targets. To reach these targets, the port managers are required to take a number of decisions. Not all of these are of the same importance or have the same characteristics. One of the common causes of poorly managed ports is the fact that management decisions are not taken properly, are taken at the wrong moment or are taken by inadequately trained and prepared people. It is useful to distinguish between routine decisions, whose effects are known in advance, innovatory decisions, which are essential to adapt the port to changes, and strategic decisions which relate to the long term and the port's development. For a port to be well managed, it is vital to ensure that these different kinds of decision can be taken by people having the necessary competence, powers and information. Careful selection of the managers especially the director of the port or the port community is thus essential, since he will be mainly responsible for the management and for applying the basic principles in this area. The developing countries have demonstrated that they have talented port officials but it is important to ensure that the constraints imposed on the management of ports, particularly by the supervising administrations, should not be too heavy, since this is incompatible with the dynamism and traffic effectiveness required.

18. Many "tools" are at the port manager's disposal, details of which are given in the study previously mentioned. There are administrative tools and, in this sense, the administrative organization of the port is a powerful management tool. General accounting and cost accounting or analytic accounting are financial tools. There are also commercial tools and technical and operational tools, including the adoption of operating systems, particularly those connected with terminals and with the maintenance of equipment.

19. The last of these tools, and certainly the most important, is human resources development which has formed the subject of a full report by the secretariat (UNCTAD/SHIP/644). This expression "human resources development" must be more carefully defined in an attempt at clarity and coherence. The secretariat has adopted a definition which takes account of the four following stages: assessment of staff needs, "production" of staff (by recruitment or internal training), staff management, and evaluation of the results obtained. In dealing with this topic, the report proposes an approach which has already been applied in certain ports. It consists in first of all studying the employment structure of the port organization to evaluate, both qualitatively and quantitatively, the port's human resources needs in the short and medium terms. This evaluation then makes it possible, by comparison with the human resources available, to detect shortages (or surpluses) and to prepare the necessary adjustment plans. To achieve this result, particularly in the case of large port organizations employing hundreds of people, it is proposed to use a "modelling" process, i.e. to construct a simple model reflecting the main characteristics of the organization under consideration. To this end, operation

stations are regrouped by function (e.g. operational, administrative and so forth)) and matrices are constructed in which the results of the future need evaluation appear. The next step is to check off existing resources, accord to the same criteria, assessing their development potential. A comparison w then highlight shortages (or surpluses) by site, category, trade etc. Adjustments will then be made by means of external recruitment or internal mobility, in the light of the targets and constraints imposed on the port enterprise under consideration. The report gives some practical advice whic should assist the implementation of the human resources development policy. ends by considering the last stage of the process, namely, evaluating the application of the policy adopted and implemented by means, *inter alia*, of indicators and an indicator board.

20. The Group might, perhaps, wish to underline the importance of having an ambitious human resources development policy, since this is essential for th effective and efficient functioning of a port. It might also wish to point that both rigour and coherence are needed in this area. That is why the secretariat has proposed a systematic approach to these matters so as to ach concrete and quantitative results. A great deal of both time and effort are indeed required to apply this method (or any other rigorous approach), but t stakes are such as to justify devoting the necessary time and resources to preparing and implementing a genuine human resources development policy. It probably one of the most useful forms of investment for the enterprise or fo the port.

21. Strategic planning is a modern management method which has also formed subject of a full report by the secretariat (UNCTAD/SHIP/646), illustrated b three case-studies of ports that make use of strategic planning: New York, Singapore and Rotterdam. Strategic planning was first developed and applied the United States and has since been used in other countries. Few ports use systematically, however, although the majority of the most dynamic ports instinctively apply some of its principles. The word "planning" may lend it to confusion since, in many ports, it is used to mean the preparation of an often long-term programme of infrastructural development.

22. The advantage of strategic planning is that it incorporates the modern concepts of management, including the definition of the port's objectives an targets, while also taking into account the characteristics of the market, particularly competition, and of the port, particularly its advantages and weaknesses. It is thus possible to develop management strategies, particula medium-term ones, which enable the port to position itself more effectively *vis-à-vis* the competition by developing its advantages and avoiding operatic in which it is badly placed to contend with its competitors. These strategi may relate to the port as a whole (e.g. endeavouring to attract liner shippi or offering a considerable added value to the goods) or to part of the port (e.g. trying to offer rock-bottom container-handling tarrifs). We must emphasize once again that awareness of the competition is nowadays a matter concern to nearly all ports since, even if there is no competitor that coul attract certain trade flows, competition on the world market is very lively all kinds of products which pass through the ports. A few points gained or on transit costs may mean winning or losing market or trade shares. The principles of strategic planning thus apply to all ports, large or small, a all countries.

23. In view of the novelty of this approach, the Group might wish to consi whether it might be useful to undertake sensitization and training activiti

particularly as regards the developing countries, to enable them effectively master and apply this management method, in the light of the needs of the individual port.

24. Port marketing has been studied by the secretariat in the document bear that title (TD/B/C.4/AC.7/14) and we shall limit ourselves here to giving a general outline. This port function has always existed, but it has significantly developed as a result of the changes that have occurred in international trade and transportation, for inter-port competition or international competition (in products) has developed in certain regions in particular. Marketing consists in "selling" the services offered by the por and this is the more easily done if the port is competitive. The study pres some factors which determine port competitiveness: favourable geographical situation, quality of transport links with the interior, availability and efficiency of port services, price of port services, socio-economic stabilit and quality of telecommunications. The Group will undoubtedly wish to note this search for port competitiveness is one of the major themes of the secretariat's new programme of work and that it is included in the prelimina parts of the Group's own terms of reference.

25. Port marketing must be carried out rigorously if the hoped-for results to be obtained. There are three groups of activity needed: (i) gathering an processing statistical, commercial, financial, Customs and other data; (ii) market research, particularly into market segmentation by type of user traffic, e.g. containers or bulk cargo (such research will also examine the impact on the port of actual or likely trade or transport changes and expect changes in the behaviour of partners, such as the public administration, or customers, both actual and potential; port targets and objectives can thus b fixed in terms of the anticipated traffics or market shares: the so-called "SWOT" (strengths and weaknesses, opportunities and threats) approach is recommended), and lastly, (iii) promotional action to develop trade. At thi final stage, there is a whole range of possible actions, according to the si of the port and the characteristics of the market, such as: calls, interview publications, publicity, visits, seminars and conferences. These actions wi be supplemented by appropriate measures such as pricing and the supply of special services.

26. Nowadays, however, such commercial actions do not bear full fruit if the are carried out in an isolated way or by services which are too administrati The port will develop only if the entire port community, embracing all the economic and social partners, unites and works to promote the port area. Consequently, we see that the most dynamic ports are creating and structurin their port community. There are also, however, in the field of port marketi many backward ports which deal with the subject in a routine administrative and have not yet fully grasped the importance for their development, and sometimes even for their survival, of having a dynamic and ambitious commerc development policy. The Group might thus, perhaps, wish to encourage ports apply whatever recommendations in the secretariat's report it deems relevant

27. Sustainable development of ports is an issue which was included in the UNCTAD work programme as a result of decisions taken by UNCTAD VIII and by t United Nations Conference on Environment and Development (UNCED), held at Ri Janeiro in 1992. The secretariat has produced a report on the subject (Sustainable development for ports - UNCTAD/SDD/PORT/1) in cooperation with International Association of Ports and Harbours (IAPH), which entrusted the study of the subject to one of its technical committees (COPSSEC).

28. By sustainable development is meant the simultaneous attainment of efficient economic performances, protection of the environment and social justice. Ports are places in which many industrial and commercial activities are developing. Situated at the interface between the sea and the land, they are often in the centres or at the edges of major cities. These characteristics make them places in which pollution of all kinds can occur, as a result of the establishment or extension of the port (dredging etc.) or its operation, both on water (collisions, waste-water discharges and rubbish) and on land, including in the atmosphere (dust, explosion hazards, noise, smoke, soil contamination etc.). There can be no sustainable development of a port without simultaneous efforts to ensure its economic development, protect the port environment and ensure a just distribution within the port community of the fruits of growth.

29. Deterioration of the port environment has a direct cost which it is not always easy to calculate. There is also an indirect cost which is sometimes just as important: the image of the port deteriorates and traffic avoids a dangerous or dirty port. Protection of the environment also has a direct cost (particularly when specialized installations must be built) and an indirect cost resulting, for instance, from the delays imposed on port development projects to ensure their compliance with environmental standards. Conversely, a port in which the environment is protected has the benefit of a good image, which attracts trade and industries that cannot develop in the long term without an environment of quality. The major problem posed by sustainable development is to find an appropriate balance between economic development and the protection of the environment, particularly in the long term, while ensuring an equitable sharing of the corresponding costs.

30. The report put forward a number of recommendations whereby this object can be attained. As a first stage, it is proposed to study the economic and technical aspects as completely as possible, particularly with regard to the costs of various forms of pollution, their frequency, the corresponding hazards, the protection costs etc. The report proposes a pragmatic method which will facilitate the adoption of a policy. Advice concerning its implementation is also given. It is first of all a question of fixing objectives regarding the balance between technical economic considerations and social ones. Next, it is suggested that a plan be prepared, adopted and applied which reflects this balance and combines preventive measures (regulations, training and checks), stimulatory measures and corrective measures (sanctions etc.). Port planning will have to take care to incorporate environmental protection considerations from the very outset of designing works.

31. The report presents three case-studies of ports having adopted and implemented an environmental protection and sustainable development policy. In its conclusions, it recommends that all countries, including developing ones, should integrate environmental protection at the earliest possible stage into the port construction and development process. The corresponding protection costs will usually be much lower. It suggests that efforts be made to ensure cooperation and cost-sharing on a regional or international basis. It emphasizes the quality of the work carried out by IAPH and the relevance of the many conventions adopted in IMO. The Group might wish to support those recommendations. The report also puts forward recommendations concerning pricing and inter-port competition: there must be a ban on competition based on the absence of environmental protection (with prices consequently lower than the competitors') and incentive and pricing measures should be adopted in favour of users (vessels etc.) that respect the environment.

Investment requirements

32. In the course of the consultations leading to the definition of the terms of reference of the Group of Experts, some representatives of developing countries requested that the port investment requirements occasioned by technological or structural changes in international transportation should be examined. This is a particularly topical question in connection with the major port investment needed for the newer generations of container ships or bulk carriers. Transport organization, particularly shipping, in the form of grid systems based on transshipment ports, requires the latter to equip themselves with heavy and costly infrastructure and cargo handling equipment that are not needed by ports which, by decision of the shipowning fraternity, are to be "feederized". The UNCTAD report entitled "The establishment of transshipment facilities in developing countries" (TD/B/C.4/AC.7/10) has already indicated what conditions are required to invest rationally. In certain ports that are outside the main traffic flows, or where the physical characteristics or management methods are not appropriate, the conditions for becoming a transshipment centre are not fulfilled and, if care is not taken, there is a danger of making costly investments in installations that will be underused. Hence the importance of preparing, as the World Bank and the main lending organizations have requested, rigorous feasibility studies. The Group might, perhaps, wish to consider whether there are other possible ways of avoiding such situations.

D. Regional cooperation

33. This theme is included in the work programme of the ports secretariat; it has been added to the terms of reference of the Intergovernmental Group of Experts in connection with port organization and management. A full report on the subject will be prepared in 1995. It will be a follow-up to that submitted to the Ad hoc Intergovernmental Group of Port Experts in 1990 entitled "Cooperation among ports in developing countries" (TD/B/C.4/AC.7/8), the main conclusions and recommendations of which still seem to be valid, namely:

- In principle, it is desirable to establish as wide as possible regional port cooperation so as to share some very expensive investment costs (e.g. container terminals and transshipment ports);

- The recent strengthening of inter-port competition and the equally strong competition on the world market of the products passing through ports make it necessary to be both realistic and pragmatic. There is, moreover, no significant experience of joint operation of port installations. There are, on the other hand, numerous examples of successful regional cooperation in other areas such as training, statistics, harmonization of pricing structure and terminology, navigation aids, dredging, procedures and documentation, regulations and protection of the environment; and

- The recommendation that emphasis be placed on certain activities which seem to offer possibilities of cooperation, namely:

  - Participation in the work of regional and international port associations, which have demonstrated their dynamism and their serious approach to identifying and promoting increased cooperation;

  - Training and human resources development; and

- Dispatch of port experts and specialists from developing countries on appraisal and advisory missions.

34. To facilitate the Group's work, one or two practical examples of regional port cooperation will be introduced by representatives of port associations or organizations. The Group will thus be able to make whatever decisions or recommendations on this subject that it deems appropriate, bearing in mind the many developments that have occurred or are expected in areas which seem suited to increased regional cooperation (such as the protection of the environment) or which, on the other hand, appear to limit the possibilities of such cooperation (particularly increased competition).

Chapter II

UNCTAD PUBLICATIONS AND TECHNICAL COOPERATION PROGRAMME

35. In this chapter, we shall present information related to paragraphs (d) and (e) of the Group's terms of reference. Two main sections will deal firstly with the UNCTAD port publications, i.e. the studies, monographs and the Ports Newsletter, and secondly with the technical cooperation and training programmes.

A. UNCTAD port publications

36. The UNCTAD Ad hoc Intergovernmental Group of Port Experts, at its session from 24 to 28 September 1990, prepared a number of recommendations to the Committee on Shipping on UNCTAD port publications. In particular, it noted the fact that many participants, particularly those from developing countries, had said that they had derived great benefit from reading the UNCTAD port studies. It recommended that those research activities should be actively pursued, emphasizing that most developing countries lacked the means to carry out such research, and stated that it "would like UNCTAD to be a reference and research centre for them in the matter of ports and to have particular regard for their concerns."

37. The Group requested that priority be given to five studies in the following areas:

- The principles of modern port management and organization;
- Development of the commercial functions;
- Development of human resources;
- The legal and regulatory aspects of port activities; and
- Strategic planning.

These five studies were prepared by the secretariat. Their exact titles and symbols will be found at the beginning of this report. Several ports agreed to assist in this task, especially by acting as case-studies to illustrate the subject under consideration. This was so in the case of the following ports: New York, Singapore, Rotterdam, Abidjan and Le Havre. The secretariat thanks them for their cooperation.

38. When the new work programme was being approved by the Standing Committee on Developing Services Sectors, emphasis was placed on new aspects of port matters with particular reference to the guidelines laid down by UNCTAD VIII, such as sustainable port development. Consequently, in 1993, the secretariat prepared a new report on that subject, in cooperation with the International Association of Ports and Harbours (IAPH), since the Standing Committee had recommended that type of cooperation. Other topics were envisaged, at a second priority level, by the 1990 Ad hoc Group such as the fixing of tariffs and port finance, relations between the city and the port and a transshipment case-study. The Group might, perhaps, wish to take these into account when proposing, as requested, priorities for future studies to the Standing Committee. That subject will, however, be considered later. The Ad hoc Group also requested that the programme of monographs produced in cooperation with IAPH should be continued. Under this programme, the following monographs have been prepared by members of the Association and finalized, translated and distributed by UNCTAD:

No. 5 (Supplement):	Container terminal pavement management - 1990 UNCTAD/SHIP/494(5) Suppl.
No. 8	Economic approach to equipment selection and replacement - 1991 UNCTAD/SHIP/494(8).
No. 9	Multi-purpose port terminals: recommendations for planning and management - 1990 UNCTAD/SHIP/494(9).
No. 10	Computerized container terminal management - 1993 UNCTAD/SHIP/494(10).
No. 11	Electronic data interchange in ports - 1993 UNCTAD/SHIP/494(11).

39. Lastly, the Ad hoc Group requested that the UNCTAD Ports Newsletter should, if possible, be published twice a year, with the addition of information of a technical nature on the most recent developments of direct interest to ports. The secretariat has consequently published the following newsletters:

March 1991.	Newsletter No. 5, 13 pages including a technical note on the new role of ports.
November 1991.	Newsletter No. 6, 11 pages including a new section on port literature and a technical note on port privatization.
April 1992.	Newsletter No. 7, 12 pages including a technical note on periodicals published by ports.
November 1992.	Newsletter No. 8, 18 pages including a new section (press review), a technical note on strategic planning and a new section presenting the port activities of other international organizations, particularly the United Nations itself.

March 1993. Newsletter No. 9, 22 pages including a technical note on post-graduate port diplomas as well as the other usual sections.

It should be emphasized that the improvement in the contents of the Ports Newsletter has been achieved as a result of support by the Government of France which has made it possible to strengthen the UNCTAD Ports Section. In addition, the ports of Canada, the ports of Valencia, Spain, and Dunkirk, France, and the West Indian TRAINMAR centre, Guadeloupe, have helped the secretariat with the production and translation of the Newsletter.

40. The Group has been instructed to examine the distribution of these publications, to assess the interest they arouse, to study whether their recommendations (in this case those relating to port organization and management) are appropriate and applicable, and what further information is needed with a view to the establishment of competitive ports and port services, particularly in the developing countries and countries with economies in transition. During the consultations which led to the decision to convene the Group, the secretariat was asked to give some details of the ways in which the documents and studies it produces are distributed. The following information might be of utility and assistance to the Group.

(a) The secretariat's ports studies are translated into all the official languages of the United Nations and are sent to the permanent missions at Geneva of the Member States. The number of copies depends on what the country concerned has requested. It varies from one to several dozen copies per country. Some 900 copies of each study are thus sent free of charge to the missions at Geneva. The studies are also sent free of charge to the persons and organizations included in the UNCTAD shipping documents mailing list. This list consists of a first list of official organizations: Governments, information centres, specialized agencies, depository bookshops, non-governmental organizations etc. More than 1,000 copies are thus circulated in all languages. The second series of recipients is prepared by the secretariat. It is made up of institutions (especially training institutes, libraries etc.) that have asked to be included in the list. Nearly 1,400 copies are distributed in this way.

(b) The studies are also distributed free of charge in the course of official meetings. They are then put in stock and the Sales Section is responsible for supplying them, on demand, at a price of about $15 per document. After about two years, the stocks are destroyed, but the Ports Section retains a few copies or else makes photocopies and sends them to interested persons against a fee covering the costs involved.

(c) The monographs are placed on sale and orders are filled by the United Nations Sales Section at the price of $15 each. A stock of 500 monographs in English and about 150 each in French and Spanish is dispatched, free of charge, to the IAPH secretariat for distribution to IAPH members.

(d) The Ports Newsletter is produced in 1,000 copies each in English, French and Spanish. It is sent free of charge to an informal network of 244 correspondents in 159 countries. Each correspondent receives two copies and circulates them in the port community and the neighbouring ports. In addition, persons or organizations who wish to receive the Newsletter directly are added to the list against an annual contribution of $50, which goes to a trust fund established by UNCTAD for the purpose. It will be noted that this informal network of correspondents was established by UNCTAD at the request of the 1986

Ad hoc Group which had realized that the ports were not always receiving port publications or were not informed of UNCTAD's port activities. The secretariat has selected a correspondent (or two or three in a large country) who is usually the director of one of the country's major ports.

41. The Group was asked whether additional information would be needed (and whether there are gaps in the information available to strengthen port competitiveness, particularly in the developing countries and countries with economies in transition). The following elements of a reply might be suggested. Nowadays, if ports are to be competitive, they must be well organized, well equipped and managed and developed by competent people, in a favourable social and ecological environment. It is thus essential that the maximum technical information on these topics should be known to the port managers. These topics have formed the subject of many conferences organized throughout the world and of articles published in specialized magazines. But, for several reasons, this is not sufficient. The technical contents of these contributions are often condensed, summarized and limited to setting out a few principles. Moreover, these conferences and publications are not always easily accessible to all, particularly in the more remote developing countries or countries with economies in transition, where there is not always a good knowledge of the international languages used. To respond to these difficulties, it has thus seemed useful that UNCTAD should continue to produce in-depth studies, illustrated by concrete cases, translated into all languages and widely distributed. The subjects of these studies should, however, be very carefully defined. Hence the importance of these meetings of the UNCTAD Intergovernmental Group of Experts on Ports to advise the Standing Committee on the preparation of the secretariat's port work programme. It is also essential that these publications should be periodically updated. The importance will also be emphasized of continuing to circulate information on these studies, particularly in the UNCTAD Ports Newsletter and in the specialized publications.

42. But this kind of "passive" information is not always sufficient to secure genuine improvements in organization and management which would enable the ports to be competitive. It must be supplemented by "active" information which acts at two levels: that of the extent of information, by widening its domain to include complementary action such as training and technical assistance which are often needed for effective port management and organization, and action at the level of providing and using information in the field. In fact, to be fully effective, information must often be conveyed to the field to be presented and adapted to, and discussed with, the people responsible for the ports. From these discussions with high-level specialists, the need for information evolves, takes other forms, deals with other aspects. The result is usually a better evaluation of port requirements and possibilities, which leads to a better understanding and definition of the port-improvement and staff-training programmes that can be carried out either with the port's own resources or with outside assistance.

43. In the past, the UNCTAD secretariat was able to launch two programmes designed precisely to inform ports, particularly those in developing countries, of the facilities and programmes available throughout the world in the spheres of training and of financial and technical assistance. One of these programmes, SHIPASSIST, consisted in updating and publishing a catalogue of such facilities and programmes, inviting readers to contact them directly at the addresses given. This programme was thus of the "passive" information type. After several years of existence, SHIPASSIST was abandoned because the system had turned out to be too financially and administratively demanding and had not come

up to the expectations of the potential users. Another programme entitled "interregional advisers" had consisted in sending to any country that so requested an expert from the UNCTAD secretariat to examine the port situation, give all the information required as adapted to the needs, suggest technical improvements that could be made on the spot, and propose a technical assistance and training programme for those needing outside help. These advisers were initially financed by UNDP and, subsequently, by donor countries. This active information programme had, however, to be interrupted, due to lack of adequate financing, although the results were regarded as excellent.

44. An interesting initiative had been the supply of funds by one country (Netherlands) to assist developing countries to apply the UNCTAD port studies. It had been an active information programme. On request, the secretariat could send a specialist, either a member of the UNCTAD staff or a consultant, into the field to advise the port authorities in the various spheres of port organization and management regarding which UNCTAD had published documents. After nine years, that programme had had to be interrupted, since financing could not be extended. The results obtained had been excellent, for a limited cost, since there had been no full-time experts at Geneva.

45. It seems established that, in order to respond fully to information requirements in the important areas of port organization and management, it would be necessary to continue to publish written information, particularly through the Ports Newsletter, with visits by specialists to the field. This type of "active information" would, to be effective, presuppose that lessons were drawn from past experience and a dynamic, effective and sustainable scheme set up. Assignment of a full-time expert at UNCTAD headquarters would be a good technical solution, but its cost would seem to be too high for this to be envisaged in the present difficult economic conditions. A solution that might be satisfactory in many ways would be to mobilize contributions from donor countries or ports in order to send to developing countries, or countries with economies in transition, experts chosen by the secretariat from a list which each donor country or port would supply to evaluate requirements on the spot, supply the information available, advise senior port officials on possible improvements in organization and management and help them to build training and technical assistance programmes, respecting the standards imposed by the donor countries or financing organizations in that sphere, on the understanding that the country concerned would then be free to decide to whom it would entrust such technical assistance. This scheme could be supplemented by giving priority to the least developed countries. The Group might, perhaps, wish to support this proposal or to make other proposals for the improved circulation and application of information.

46. The Group's terms of reference also include providing professional opinion on specific subjects of the approved work programme to which the Standing Committee should accord priority. It will be recalled that this work programme is described in the Report of the Standing Committee on Developing Services Sector: Fostering Competitive Services Sectors in Developing Countries - Shipping on its first session (TD/B/39(2)/5 - TD/B/CN.4/13). The portion of this programme that requires careful examination when preparing priorities consists of paragraphs C.6 and C.7 of annex I. They read as follows:

"The Standing Committee will ... in the field of ports:

6. Undertake comparative analysis of the port sector and related policies in different countries with a view to determining the factors

(including economic, commercial, financial, operational, organizational, administrative, legal, commercialization, privatization, deregulation, environmental) which can contribute to a better management, efficiency and sustainable development of ports and related port services; wherever possible this work will be undertaken in collaboration with interested countries and/or international/regional port associations;

7. Assess, while having due regard to competition between ports, the potentialities for increased regional cooperation and whenever possible improve the circulation of information between ports (information systems, cost structures, statistical systems, regulations etc.), including the exchange of expertise."

47. The following studies have been included in the secretariat's work programme for 1994 and 1995:

- 1994. Strategic port pricing.
- 1994. Comparative analysis of privatization, commercial management and deregulation in the field of ports.
- 1995. Possibilities of increased regional cooperation in the field of ports.
- 1995. Financial aspects of port management.

This work programme has been approved. The Group might, perhaps, wish to indicate other research topics which, it considers, deserve priority and which could be undertaken with the resources available.

B. UNCTAD port training and technical cooperation programmes

48. The Group has been asked to review this work, assess its impact on the development of competitive ports and related port services and, in that context, assess the needs that have not been met through the various types of training available from bilateral and multilateral sources in order to ascertain potential areas for future UNCTAD activities in that field.

1. The training programme

49. Since the early 1970s, UNCTAD has developed a major port-training programme, using various instructional approaches to adapt it more effectively to the requirements of the developing countries: traditional seminars using lecturers, production of instructional material and training kits, training trainers, establishing or strengthening training institutions in the developing countries and organizing courses. In 1990, the Ad hoc Intergovernmental Group of Port Experts considered the results and recommendations of a recent evaluation of the programme and formulated its own recommendations which are contained in an annex to its report (TD/B/C.4/377 - TD/B/C.4/AC.7/12). These recommendations have guided secretariat activities for the last three years. As requested by the Ad hoc Group, coordination of UNCTAD port training activities has been strengthened, with a view to ensuring that the main programmes, such as IPP (Improving Port Performance) and TRAINMAR, and the seminars are complementary and apply the same teaching approach and the same technical content inspired by the UNCTAD port studies. It will be noted that the two main

programmes - IPP and TRAINMAR - have retained their identities, as recommended by the 1990 overall evaluation of training activities. These UNCTAD programmes will now be considered in turn, their principal activities over the last three years being highlighted.

50. The programme known as IPP consists of training and sensitization activities directed at senior port officials on topics corresponding to developing countries' requirements for which it had proved possible to secure extrabudgetary financing. The design and development of the programme have been centralized, care being taken to ensure that the contents of the UNCTAD technical studies are reflected in the courses. In return, the secretariat has a feedback that is very useful for its research. Training kits are produced containing the instructional material for distribution. It is distributed by members of the secretariat or by high-level consultants with the participation of instructors trained for the purpose. In this way, a new course entitled "Strategic port pricing" has been produced, as a result of generous financing by the Netherlands. It was distributed for the first time at the end of 1992 in Egypt and India and at Bangkok, in cooperation with the Economic Commission for Western Asia and the Economic and Social Commission for Asia and the Pacific. Another course of the same type entitled "The challenge of the third-generation port" was produced in 1992 in the framework of a UNDP African regional programme. It was distributed for the first time in Ghana. Among such high-level training activities, we may quote two seminars organized just before this meeting of the Group of Experts on the subjects of port marketing and electronic data interchange.

51. As recommended by the Ad hoc Group in 1990, the TRAINMAR programme has been directed towards the training of middle-level and lower-level port management. It concentrates more on local port problems and the decentralized production of training activities distributed by training centres strengthened and trained to that end. In addition, TRAINMAR promotes the development of a very rich cooperation among training centres (exchange of instructors and teaching material etc.). Regional networks have been set up, coordinated by a central Geneva-based team. In early 1993, 22 port training centres were associated with the TRAINMAR programme. The complete list of IPP and TRAINMAR courses is as follows:

Code	Title	Duration (weeks)	Languages A	C	E	F	S	P
General-policy courses and seminars								
IPP-2	Container terminal development	1			X	X	X	
IPP-3	Port equipment: policy, management and maitenance	1			X	X		
IPP-4	Strategic port pricing	1			X			
	The challenge of the third generation port	1			X	X		
TRAINMAR courses and seminars								
T2.01	Port planning	4	X		X	X	X	
T2.02	Port operations for supervisors	4			X	X	X	X

Code	Title	Duration (weeks)	Languages A	C	E	F	S	P
T2.06	Management of container terminal operations	3	X		X	X	X	X
T2.08	Cost accounting and port management	2	X			X	X	
T2.09	Management of equipment maintenance	2	X		X	X	X	
T2.10	Goods storage and warehousing	2				X		
T2.11	Management of small ports	1			X			
T2.13	Improving supervisory management	2			X		X	
T2.14	Collection and management of port statistics	2				X		
T2.15	Port statistics and performance indicators	2					X	
T2.16	Port legal and ligitation aspects	2				X		
T2.18	Spare parts management	1			X		X	
T2.19	Port management information system	1			X			
T2.20	Management of gerenal cargo operations IPP-1	4	X	X	X	X	X	X

52. Several on-the-job training courses have been organized, for short periods, particularly in the framework of the JOBMAR programme, which matches up ports offering on-the-job training courses and those wishing to send trainees. However, this type of training is falling off, since it is becoming more and more difficult to finance.

53. Several traditional seminars have been organized by the secretariat, financed by donor countries. Every year, in the port of Antwerp, a three-week seminar for about 15 participants is organized on container terminal management. This seminar is held in English and French alternately, in cooperation with the Antwerp port engineering consultant (APEC). The Government of Belgium supports the operation by financing the organizational costs and the participants' subsistence (partial). Travel costs have, however, to be met by the participants' home countries. A seminar of the same kind, with the same financing methods, was organized for the first time in May 1993 in the port of Ghent, Belgium, on the theme of port marketing (the new commercial role of ports). Of the 35 applications received by the secretariat, 19 participants from 15 countries were selected. The same seminar will be organized in French in 1994, once the corresponding teaching documents have been translated. It will be noted how carefully these training activities have been prepared, with handbooks drafted for the participants and for the instructors and with audiovisual support. This attention to detail makes it possible to guarantee that the aims of the seminars will actually be achieved. The secretariat also contributes to other seminars organized by port authorities or training institutions. An example is the seminar organized by the port of Le Havre on port finances.

54. The members of the Group of Experts, particularly those from developing countries, will have the opportunity of expressing their views on the impact of these training activities for the establishment of competitive ports and port services. The Group has also been requested to assess the needs not met through the various types of training available from bilateral and multilateral sources. The secretariat is not aware of any recent study making a quantitative assessment of needs and indicating, by comparison with existing training capabilities, the training gaps. At the end of the 1970s, the UNCTAD secretariat, with UNDP financing, carried out such a quantitative and

qualitative evaluation for the developing countries as a whole. That had resulted in the launching of the TRAINMAR programme, to fill part of the wide training gap thus identified. The Group might, perhaps, wish to consider the possibility of updating such an overall quantitative and qualitative evaluation, restricting its scope to the port sector. In the absence of quantitative data, the Group could express its views on the quality of port training, identifying the priority topics for which training gaps seemed to exist and to which pride of place should be given for future training activities (seminars or other). It could also consider the current requirements in the fields of on-the-job and post-graduate training, so as to enable young recruits or middle-level management staff to complete their port training and become eligible for higher posts.

2. The technical cooperation programme

55. The UNCTAD technical cooperation programme in the field of ports is financed by the United Nations Development Programme (UNDP), by donor countries and sometimes by the beneficiary countries themselves. It is made up of national, regional and interregional "projects". Over the last three years, there have been only national and regional projects implemented by UNCTAD, either alone or in association with other organizations, particularly IMO and ILO. However, the number of these projects has fallen off considerably, very probably owing to the fact that, as a result of a lack of financing, the activities of the international advisers or port sectoral advisers have disappeared. These advisers used to visit countries, inform them of the technical cooperation possibilities and assist them to assess their requirements and draw up draft proposals meeting the standards of the financing organization. There are also projects whose scope and targets go well beyond the field of ports. Such is the case of the advance cargo information system (ACIS) programme which has been implanted in the main transit corridors having sub-Saharan African ports as their points of departure (or arrival). The objective of ACIS is to improve the fluidity and efficiency of transportation in these corridors as a result of a better knowledge (and control) of information flows. In several African ports, computerized systems have been installed by ACIS for this purpose. It is proposed that ACIS should be implanted in other regions.

56. Over the last three years, the most significant regional programme was probably that entitled "Human Resources and Institutional Development in the Transport Sector of Sub-Saharan Africa"(RAF/89/028). That programme had already been presented to the Ad hoc Group of Experts and had aroused a certain interest. It was implemented by seven organizations of the United Nations system (ECA, ITU, ICAO, IMO, ILO, the World Bank and UNCTAD) under the direction of UNDP (Regional Bureau for Africa). UNCTAD was entrusted with the port and multimodal transport sectors. The various organizations carefully examined in the field, through case-studies, the factors that had hampered (or promoted) effective functioning of the African transport services. The results of these studies were compared and it proved possible to identify a number of such factors, especially those which were a brake on the efficiency of the transport sector. The results were submitted to the senior African officials and, after comments and discussions, a second phase of the project is now being prepared to apply in practice the lessons drawn from the first phase, which lasted more than two years and ended in 1992. It will be noted that, for the second phase which is due to begin in 1993, UNCTAD and IMO have made a joint proposal to implement a programme that will cover the whole port and maritime sector.

57. At the national level, assistance projects for port organization, management and development have been either prepared (e.g. in Cape Verde and Haiti), implemented (e.g. in Tanzania) or completed (e.g. in Côte d'Ivoire). These projects were mainly UNDP-financed. On average, the Ports Section is managing five to ten technical assistance projects, including project proposals that have reached an advanced stage and projects that are being implemented. A few years ago, the figure was higher. The main reason for this decline seems to be the reduction in the size of the technical cooperation budgets allocated to transport programmes in general and to ports in particular, as well as the disappearance of the interregional port advisers, who were veritable UNCTAD ambassadors in the field. The Group might, perhaps, wish to consider this situation for the purpose of mobilizing the funds needed to finance requirements evaluation missions and to help prepare technical cooperation programmes, as already indicated in paragraph 53.

58. Among the national projects worthy of mention, reference may be made to the action undertaken by the Ports Section to contribute to the rehabilitation and functioning of the port of Mogadishu in Somalia. In the framework of a UNDP-financed requirements evaluation mission, a member of the Section was sent out to the area, accompanied by a consultant. On the basis of that mission, a proposal for preparatory assistance was drafted. It consisted in sending out a team of six experts from another port to carry out emergency measures and set up a new port organization and authority, to make the port operational and to ensure the training of their counterparts. At the time when this report was being written (May 1993), this proposal had just been approved. A team of port experts, mainly Indians generously seconded by the authorities of that country, was being recruited.